

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 1042 – HB 1054**

April 9, 2013

**SUMMARY OF ORIGINAL BILL:** Authorizes the State Treasurer, Comptroller of the Treasury, the Commissioner of Finance and Administration, or the Secretary of State to change a staff member designation by notifying the chair of the Tennessee Housing Development Agency's (THDA) Board of Directors and Secretary of State's Office, in writing, prior to an agency meeting, in order to alert such entities that the designee will be attending.

**FISCAL IMPACT OF ORIGINAL BILL:**

NOT SIGNIFICANT

**SUMMARY OF AMENDMENTS (006577, 005093, 006406):** Amendment 005093 deletes all language after the enacting clause. Reduces the membership of the Tennessee Housing Development Agency's (THDA) Board of Directors, from 19 to 15 board members. Increase the membership of the Agency's Audit and Budget Committee by one member by including the State Treasurer. Authorizes the Audit and Budget Committee to employ, terminate, and establish the salary of the director of internal audit. Amendment 006406 makes a technical correction. Amendment 6577 reduces the number of THDA board members necessary to pass an action by affirmative vote, from 8 to 6, unless stated otherwise. Reduces the number of THDA board members necessary to pass an action by affirmative vote, from 9 to 8, if such action is in regards to the issuance of bonds or notes or for the selection or appointment of an executive director or the issuance of commitments for housing developments.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Decrease State Expenditures - \$3,800**

Assumptions for the bill as amended:

- According to the THDA, reducing the number of members on the board of directors will result in a decrease in state expenditures due to decreased expense reimbursements.
- According to THDA, FY11-12 Board expenditures totaled \$18,279 or \$962 per member (\$18,279 / 19).
- It is estimated that reducing the board membership by four members will result in a decrease in state expenditures of \$3,848 (\$962 x 4).

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- According to the THDA, the addition of the Treasurer to the Audit and Budget Committee will result in no significant fiscal impact.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jdb